

PROCEEDINGS OF THE STURGIS CITY COUNCIL

The Common Council of the City of Sturgis met in special session starting at 3:00 pm on Friday, February 20, 2015 at the Community Center in the Meade room. Present: Mayor Mark Carstensen, Alderpersons, Jason Anderson, Mike Bachand, Branden Bestgen, David Hersrud, Marcia Johnston, Tim Potts, Ronald Waterland and Kelly Vasknetz (arrived at 5:10 pm).

Absent: None

Mayor Carstensen called the meeting to order at 3:00 pm.

Motion by Waterland, second by Hersrud with all members voting yes to approve the agenda with the change of moving item 8 - Public comment and consideration of Resolution to support/oppose/remain neutral on County TIF - to item 6.

Kent Hagg, Attorney for the Buffalo Chip, was present to discuss with the Council the annexing of the City Lagoons and Airport.

Motion by Hersrud, second by Johnston with all members voting yes to approve Resolution 2015-20.

RESOLUTION 2015-20

**RESOLUTION AUTHORIZING CITY MANAGER DANIEL AINSLIE TO SIGN AND
SUBMIT A PETITION TO ANNEX THE CITY OF STURGIS MUNICIPAL AIRPORT
TO THE CITY OF STURGIS**

WHEREAS, the City of Sturgis desires to file a Petition for Annexation of the City Municipal Airport, City-owned property, into the City of Sturgis; and

WHEREAS, said Petition states that the City of Sturgis owns at least $\frac{3}{4}$ of the total value of the property, and that the City of Sturgis constitutes $\frac{3}{4}$ or more of the registered voters residing within the boundaries of the property requested to be annexed; and

WHEREAS, said real property as described in the Petition is a Municipal owned and operated airport as described in SDCL 9-4-14; and

WHEREAS, SDCL 9-4-14 authorizes a municipality to annex into the City noncontiguous City-owned property when said property is a municipally operated airport organized pursuant to Title 50 of the South Dakota Code; and,

WHEREAS, SDCL 50-7-2 authorizes a municipality to acquire, establish, construct, own, control, lease, equip, improve, maintain, operate, and regulate airports; and

WHEREAS the City of Sturgis has acquired approximately 286 acres for the express use as a municipal airport and the City of Sturgis has spent several millions of dollars of federal, state and municipal funds for the construction of a runway, taxiway, hangars, terminal and accessory structures and in addition the City of Sturgis has leased numerous hangars to independent third parties as well as continuously investing in numerous upgrades and repairs at the facility; and,

WHEREAS, the current use of the subject property as the City of Sturgis Municipal Airport is an integral part of the services provided to the residents of the City of Sturgis and residents in the surrounding area; and ,

WHEREAS, SDCL 9-19-13 authorizes a City Council to adopt a resolution to take effect immediately when the adoption of that resolution is for the “immediate preservation of public health...and support of the municipal government and its existing public institutions...”; and,

WHEREAS, the City is currently in negotiations with the Federal Aviation Administration to make needed repairs to the existing taxiway and maintaining that existing taxiway is necessary for the preservation of that important public institution; and,

WHEREAS, the existing Sturgis Municipal Airport is located outside the municipal limits of the City of Sturgis which may lead to additional regulatory burdens and requirements from other agencies as long as that important public infrastructure is located outside of the municipal limits of the City of Sturgis.

NOW THEREFORE BE IT RESOLVED, that City Manager Daniel Ainslie is authorized to submit a petition to annex the City of Sturgis Municipal Airport property into the City of Sturgis; and,

BE IT FURTHER RESOLVED that this Resolution to authorize City Manager Daniel Ainslie to submit that petition to annex shall become effective February 20, 2015 pursuant to SDCL 9-19-13,

Dated this 20th day of February, 2015.

Published: 03-04-15

Effective: 02-20-15

Motion by Johnston, second by Bachand with all members voting yes to approve Resolution 2015-21 – Annexation of the City Airport.

RESOLUTION 2015-21
RESOLUTION ON ANNEXATION OF THE EXISTING CITY OF STURGIS AIRPORT

WHEREAS, the City of Sturgis has filed a Petition for Annexation of property owned by the City into the City of Sturgis; and

WHEREAS, said Petition states that the City of Sturgis owns at least $\frac{3}{4}$ of the total value of the property, and that the City of Sturgis constitutes $\frac{3}{4}$ or more of the registered voters residing within the boundaries of the property proposed to be annexed; and

WHEREAS, said real property as described in the Petition is a Municipal Airport as described in SDCL 9-4-14, owned and operated by the City of Sturgis; and

WHEREAS, SDCL 9-4-14 authorize a municipality to annex noncontiguous property into the municipality when said property is a municipally operated airport organized pursuant to Title 50 of the South Dakota Code; and,

WHEREAS, SDCL 50-7-2 authorizes a municipality to acquire, establish, construct, own, control, lease, equip, improve, maintain, operate, and regulate an airport and as authorized the City of Sturgis has acquired approximately 286 acres for the express use as a municipal airport, the City of Sturgis has spent several millions of dollars of federal, state and municipal funds for the construction of a runway, taxiway, hangars, terminals and accessory structures, the City of Sturgis has leased numerous hangars to independent third parties, and the City of Sturgis has continuously invested in numerous upgrades and repairs at the facility; and,

WHEREAS, the current use of the subject property is as the City of Sturgis Municipal Airport which is an integral part of the services provided to the residents of the City of Sturgis and residents of the surrounding area; and ,

WHEREAS, SDCL 9-19-13 authorize the City Council to adopt a resolution to take effect immediately when the adoption of that resolution is for the “immediate preservation of public health...and support of the municipal government and its existing public institutions...” and,

WHEREAS, the City of Sturgis is currently in negotiations with the Federal Aviation Administration to make needed repairs to the existing taxiway and that existing taxiway is necessary for the preservation of an existing public institution; and,

WHEREAS, the existing City of Sturgis Municipal Airport is located outside the municipal limits of the City of Sturgis which may lead to additional regulatory burdens and requirements from other agencies as long as that important infrastructure is located outside of the municipal limits of the City of Sturgis.

NOW THEREFORE BE IT RESOLVED, that this Resolution of Annexation shall become effective February 20, 2015 pursuant to S.D.C.L. 9-19-13; and,

BE IT FURTHER RESOLVED that upon such approval that the following described real property shall be annexed to the City of Sturgis:

SW 1/4, SECTION 3, T5N, R6E, B.H.M., MEADE COUNTY, SOUTH DAKOTA; LESS RIGHT-OF WAY.

TRACT A, LOCATED IN THE SE 1/4, SECTION 3, T5N, R6E, B.H.M., MEADE COUNTY, SOUTH DAKOTA.

TRACT A, LOCATED IN THE SE 1/4, SECTION 4, T5N, R6E, B.H.M., MEADE COUNTY, SOUTH DAKOTA.

TRACT A, LOCATED IN THE NE 1/4 OF SECTION 10, T5N, R6E, B.H.M., MEADE COUNTY, SOUTH DAKOTA.

TRACT A, LOCATED IN THE NW 1/4 OF SECTION 11, T5N, R6E, B.H.M., MEADE COUNTY, SOUTH DAKOTA.

TRACT A, LOCATED IN THE NW 1/4 OF SECTION 10, T5N, R6E, B.H.M., MEADE COUNTY, SOUTH DAKOTA.

TRACT A, LOCATED IN THE NE 1/4 OF SECTION 9, T5N, R6E, B.H.M., MEADE COUNTY, SOUTH DAKOTA.

Dated this 20th day of February, 2015.

Published: 03-04-15

Effective: 02-20-15

A motion was made by Johnston, second by Hersrud to approve Resolution 2015-22 - opposing the creation of a Tax Increment Financing District for the funding of Fort Meade Way.

A motion was made by Bestgen, second by Bachand to remain neutral on the creation of a Tax Increment Financing District for the funding of Fort Meade Way. Roll call was taken with

Bestgen, Waterland and Bachand voting yes and Anderson, Carstensen, Johnston, Hersrud, and Potts voting nay. The motion did not pass.

Roll call was then taken on the first motion made by Johnston, second by Hersrud with all members present voting yes to approve the following resolution.

RESOLUTION 2015-22
RESOLUTION OPPOSING THE CREATION OF A TAX INCREMENT FINANCING
DISTRICT FOR THE FUNDING OF FORT MEADE WAY

WHEREAS, the creation of the Tax Increment Financing District (TIFD) is not a part of a proposed or planned economic development project; and,

WHEREAS, the tax increment that is anticipated to be generated is largely a product of state mandated increase in agricultural valuations and a national utility pipeline whose ultimate realization is not linked to the potential development of the proposed roadway for which the TIFD is proposed to finance; and,

WHEREAS, approximately half of the funds proposed to be used to finance the TIF would otherwise be available to Meade County to fund existing County needs and/or to reduce the County mill levy; and,

WHEREAS, the creation of a new roadway will undoubtedly divert traffic from existing entrances into the Sturgis Community; and,

WHEREAS, the reduction in traffic counts from existing Sturgis roadways will have a negative impact on commercial property values and likely reduce the commercial viability of established commercial developments through the reduction of customer traffic; and,

WHEREAS, the current Veterans' Administration Ft. Meade Campus Director has stated publicly that "The Ft. Meade VA is here for the long term whether or not the alternate access road is built;" and,

WHEREAS, any new development along the new roadway would occur without zoning and unified storm water, wastewater and water utilities. The lack of these vital utilities and the likelihood that future developments would not be built with standard roadways and sidewalks would result in significant delayed infrastructure costs which would likely ultimately be paid by the City of Sturgis if these development were to be annexed; and,

WHEREAS, the City of Sturgis with significant assistance from Meade County, the Sturgis Economic Development Corp. and the Greater Sturgis Area Chamber of Commerce have established several hundred acres of developable land already annexed within the City which currently provide immediate opportunities for developments which would be properly planned, many of which are currently under development at a valuation of tens of millions of dollars; and,

WHEREAS, the proposed TIFD would likely introduce additional competing supply of unplanned development which due to the lack of proper planning and limited infrastructure would likely be priced at a more competitive level than currently developing planned projects.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Sturgis City Council does hereby oppose and encourage the County Commissioners to stop further development of the TIFD and associated roadway until the land opened for development is properly planned with adequate utilities and a realistic project has materialized which would generate the tax increment to repay the TIF's indebtedness.

Published: 03-04-15
Effective: 03-25-15

Discussion was held on Ordinance 2015-02 –Sign Ordinance. Several items were discussed on this ordinance with comments from several members of the audience as well as Council members. It was pointed out that although the ordinance was tabled until the Council meets on March 2nd, there might be more time needed to have the revised ordinance ready for second reading by the Council. City Manager will make changes and get the revised ordinance out for review prior to the next Council meeting.

Motion by Waterland second by Hersrud and carried with all members voting yes to adjourn at 5:35 pm.

ATTEST: _____
Finance Officer-Fay Bueno

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of